

FLATHEAD COUNTY WATER DISTRICT #101

POB 1141, Columbia Falls, MT 59912

*** Minutes for February 2nd Meeting ***

I. Call to Order and Roll Call – Joanna Adams

7:10 meeting called to order.

- Board members in attendance: Linda Bosworth, Joanna Adams, Harold Herman, Ken Kahn, Aaron Anderson
- Others in attendance include: Shelley Nolan, RATES; Jamie Campbell, serving as interim secretary; 2 residents of the Water District.

II. Reading and approval of the minutes.

Jamie read minute highlight from the January 5th minutes. Minutes were approved as read.

III. Public comment – Joanna Adams

Comments were made by water district residents regarding water quality and pressure issues. The noted that black silt was in their water for several days forcing them to purchase drinking water. At this time there is no visible silt, however, their water pressure is down. They reside on Mountain. This led to discussion by board that some of them had heard from residents that they were also experiencing some water pressure issues that are unusual for this time of year.

IV. Operator's report- Ken Kahn

No further activity or testing has occurred in the water district. February 11 Ken and Linda will attend Small Water System Training Program at FVCC. This is a 4 hour class taught by Mike Kropp. The class will teach proper water testing techniques, the new RTCR, etc.

V. Financial report – Linda Bosworth

Linda reported that the following amounts are owed to board members to be paid when the Water District is able: Joanna Adams - \$10, Ken Kahn - \$22.92, Linda Bosworth - \$858.81. The balance owed to Linda has increased by \$28.50 for Paper Chase, \$10 for publication in Daily Interlake and \$50 to open the checking account at Glacier Bank.

Joanna opened the account at Glacier. As interim secretary, Jamie Campbell, was required to sign the banking documents to finalize the account set up. A debit card was provided for the bank account. The board determined that the debit card will be canceled. Discussion was held regarding online banking options. It was decided this was not a good option for Water District at this time. Joanna

motioned that Linda Bosworth be added as a signatory to the bank account. Vote was held. Passed unanimously.

VI. Correspondence -Joanna Adams

Correspondence from the Department of Revenue, which included a monthly payroll reporting form has arrived. Linda will review.

A total of 5 engineering firms responded to the published RFP: APEC, Robert Peccia and Associates, WGM, Fraser and A2Z.

An email from Laura Strong informing the Water District that she has an existing well. This was discussed and it was noted that although she is with-in the district boundaries her well is pre-existing. This situation is similar to AW and others with pre-existing wells. As long as they are not hooked up to the water system these pre-existing wells are currently not seen as problematic.

VII. Old business.

1. Presentation of "How to Hire an Engineer" document (Shelley)
Shelley passed out and reviewed this document with the Water District board. It detailed the recommended process to hire an engineer – explaining how to set the scoring criteria, things to focus on in reviewing proposals and so on. Linda provided each board member with a copy of the letter she sent out when seeking proposals, noting it incorporated the suggested criteria. This process will require each board member to take a proposal home, score it according to the predetermined process, then bring it back at the next meeting where the board will then choose the highest scoring proposals for further review. Shelley agreed to help the board develop their scoring process utilizing the list Linda included in her letter.

Joanna motioned that the list Linda provided engineers be used for the criteria. Passed unanimously.

2. Status of Engineering choosing process.
Proposals will be reviewed as follows: Aaron – Robert Peccia and Associations; Harold Herman- APEC; Joanna Adams – A2Z; Ken Kahn – WGM and Linda Bosworth – Fraser. A list of questions will be formulated and provided to each board member to ensure consistent questioning. In the next 7 days board member will contact the applicable references provided by the engineering firms they are responsible for. Using the score card that Shelley will develop they are to individually score the companies. They will provide their notes – without their scores or further discussion – to the entire board for review. At the next board meeting the Water District board will gather and will score the proposals.
3. Any updates relayed from Shelley Nolan of RATES (JA);

Shelley is working on an operating budget draft for years 16,17 and 18. She discussed her estimates and reasoning for selecting the numbers she did. This budget is needed for grant applications and may also support the Water Districts efforts to acquire insurance. She will e-mail a copy of the budget to Joanna for inclusion in the insurance application packet.

4. Updates to website (JA);
Bylaws, contacts, December minutes and agendas have been added to the website. It will be updated as more material becomes available.
5. Hiring a GM and auditor treasurer.
No money available to hire therefore this issue is tabled.
6. Status of the transfer of water system to the district – Linda
The transfer of the property and assets to the water district was delayed and the approved terms were changed by the Streeter's so the board needed to review again prior to finalizing the transfer. Serena changed her mind about transferring the property to the district. She now decided that deeding 2 lots, 38 and 39 would be acceptable. They will be transferred via a quick claim deed and the water district will be granted an easement for lot 17. There are some issues with the proposed terms that are related to lack of specificity and the omission of some key details. Linda read the proposed agreement in full. Discussion occurred regarding modifications to the agreement that would resolve the concerns. Larry Streeter did request that in exchange for gifting the Water District certain assets and property, the Water District would not charge Larry, for the duration of his life, any water utility fees for his residence. This does not include his mother's property.

Joanna Adams motioned that the Water District accept the terms in the agreement prohibiting the utility from charging Larry Streeter for water usage during his life time. This passed unanimously.

Joanna Adams motioned that the Water District accept the changes to the easement as read by Linda. This passed unanimously.

Joanna Adams motioned that the agreement, bill of sale and easement will be notarized and recorded. Motion passed unanimously.

Discussion was held regarding the fact that Lots 37 and 38 are part of a 5 lot parcel. These will need to be surveyed and divided by the county. Ken will be looking into finding an affordable surveyor.

Linda noted the closing costs. The Streeter's will be responsible for \$906.90. The water district will be responsible for \$690 (which reflects a \$500 discount from Insured Title).

Linda Bosworth will loan the funds to the Water District so the transfer can be finalized. It is anticipated this could occur by Tuesday of next week.

Joanna Adams motioned that the Water District accept Linda's loan with the understanding that she will be paid back when funds become available. Motion passed unanimously.

Once the transfer is complete water sampling will need to occur. Details for this were discussed.

The water bill will remain \$21.65 per month for individuals and \$450 for commercial property owners for the time being. Any change to this would need to be voted on at a public meeting, require public notice and a period for response. No plans are in place to make adjustments.

Joanna motioned that the water bills be sent out on the 1-5 of each month, are due by the 20th of the month and considered late by the 28th. Vote was held. Passed unanimously.

7. Insurance application for water district – Joanna Adams
This is in process and needs to be completed.

8. Bank account has been opened.

VIII. New business.

1. Duns application is submitted.
2. We now have a state tax ID number.
3. Paperwork that Shelley (RATES) needs from the district to move ahead on grants was reviewed, as were next steps to pursue after the transfer.

IX. Questions and answers with District staff.

Decision was made to table treasurer discussion to March.

It was noted that there will be three board seats for the November election.

The next General Meeting of the Board is to be held on March 1, 2016, 7pm, at the Badrock Fire Department.

X. Adjournment: 9:50 pm